RESPONDING TO THE PERFORMANCE BASED STATEMENT OF WORK

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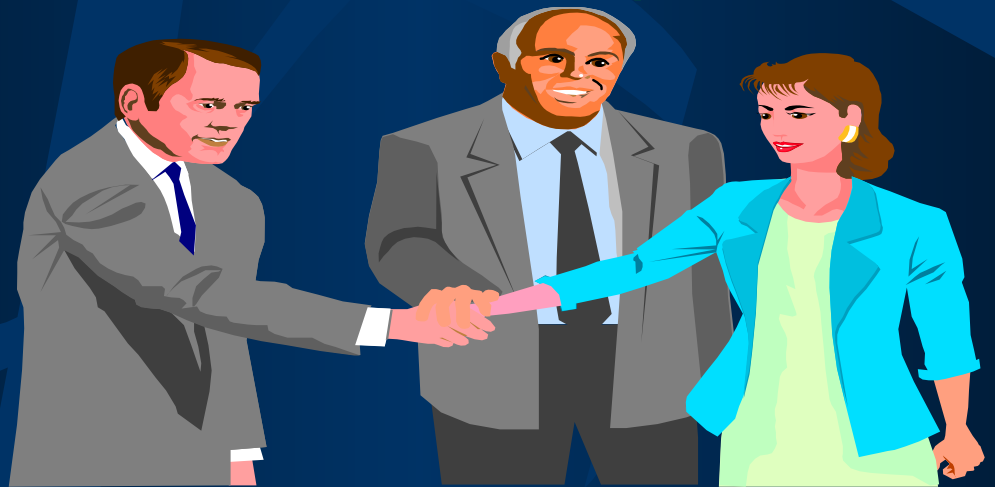

BRIEFING PERSPECTIVE

- **PURPOSE: Excel in leadership to respond successfully to Performance-based Service Contracts (PBSC).**

- **CAVEAT: PBSC is Key Priority today. Requires your skill and savvy to: plan response, create proposal and ultimately perform.**

DEFINITION OF PERFORMANCE-BASED SERVICE CONTRACTING (PBSC):

Purchasing method in which the work is described in terms of results rather than level of effort so the contractor's performance can be measured.

FAR PBSC POLICY:

- PREFERRED ACQUISITION METHOD FOR SERVICES
- ORDER OF PRECEDENCE FOR SOLICITING SERVICES--
  - 1. Firm, Fixed Price PBSC
  - 2. PBSC not Firm, Fixed Price
  - 3. Contract or Task Order non-PBSC
- PWS- CLEAR FUNCTIONALITY WITH MEASUREABLE OUTPUTS

PBSC POLICY IMPLICATIONS

- **BUYER: Define well what is needed**
- **SELLER: Respond well with solutions that match need**

METRIC: Higher performance potential from the get go!

WHAT IS THE BUYER'S PBSC MANDATE?

- Define needs in measurable, mission-related terms
- Order effort when know enough
- Monitor performance well
- Preferred contract type is fixed price

METRIC: The thrust here is to buy outputs!

INSIGHT: WHO IS BEST TO OVERSEE WRITING THE REQUIREMENT?

- **ANSWER-- Buyer folks know the >need= better in terms of strategic, budgetary, organizational and political influences on the requirement.**

METRIC: Seller feedback is key before award!

Now, What is the Seller's Challenge?

- **ANSWER-- Best demonstrate means of fulfilling buyer's requirements. Today, this is done in various media: written, oral, site visit and/or demonstration!**

METRIC: A building block strategy works!

But, the World of Proposals is Different Now

- Written, succinct and focused
- Delivered electronically
- Emphasis: relate need, proposal instructions & evaluation factors
- Clear content: how to achieve need given performance levels

METRIC: Timely, competitive response!

PROPOSAL STRATEGIES

- Use initially to show ability
- Forum for innovative ideas
- Mold submittal to time allowed
- Tailor format/content to request
- Prepare technical, management & cost elements

METRIC: Enables clearest view of risks and contributions

PROPOSAL STRATEGIES

- Need plan a response
- Resources used based on $ and requirement complexity
- Institute proposal creating system
- Ensure feedback, crosscheck & where appropriate, role play

METRIC: Approach can be fitted to client!

PROPOSAL RESPONSE: STEP 1--KNOWING THE NEED

- What is the Buy--Really?!
- What are the Performance facets?
- How clear are the connections among need, prep & evaluation?

METRIC: Quality & timeliness of response

PROPOSAL RESPONSE: STEP 2--Bid, No Bid?!

- How competitive can we be?
- Do the gains outweigh the risks?
- Can the proposal limits be met?
- Are sufficient resources at hand?
- Do the business tradeoffs make sense

METRIC: Short versus Long term results

PROPOSAL RESPONSE: STEP 3--Kickoff Meeting

- Influence right folks to be here
- Assign preparation tasks
- Reach consensus on coordination and deadlines
- Specify review & role play actions
- Identify what ifs and how to handl

METRIC: Clarity of Roles & Effective Teamwork

PROPOSAL RESPONSE: STEP 4--CREATING

- Spark the buyer's interest early
- Emphasize client benefits
- Be specific
- Write in a positive style
- Talk the client's language

METRIC: Persuade from Knowledge Vantage

PROPOSAL RESPONSE: STEP 4--CREATING

- Use active, concise language
- Make the organization obvious
- Keep the proposal short
- Mark exceptions well
- Be original

METRIC: Stimulate interest throughout

PROPOSAL RESPONSE: STEP 5--TECHNICAL PART

- Describe the “how’ in terms of client benefits
- Clearly problem solve with performance results in mind
- Discuss what ifs & handling them
- Don’t make false claims

METRIC: Innovative, realistic approach

PROPOSAL RESPONSE: STEP 5--TECHNICAL PART

- Ensure tight fit between proposal and client requirement
- Put proprietary information notice throughout
- Use examples & graphics well
- Imagine questions--give answ

METRIC: Approach works, now and later

PROPOSAL RESPONSE: STEP 6--MGT. PART

- Elements are: project chart, resources, property, related efforts, resumes & compliance
- Tailor info to specific effort
- Have info reinforce know how
- Convey quick response ability

METRIC: Can “walk the walk”-- uses measures to ensure performance

PROPOSAL RESPONSE: STEP 7-- COST PART

- Demonstrate clear and supported cost estimate
- Move toward “output” pricing
- Ensure costing is complete
- Explain well cost projections

METRIC: Fair, realistic, competitive costs

PROPOSAL RESPONSE: STEP 8-- EDITING

- Ensure no parts missing or incomplete
- Gain team consensus
- Clarify and reorganize for impact
- Explain well all assumptions

METRIC: Accurate & consistent presentation

PROPOSAL RESPONSE: STEP 9-- FRONT INFO

- Have Proposal Summary--in Proposal or Cover Letter
- Write after Proposal is complete
- Cover Letter stimulates interest and compliance
- Together, make business case

METRIC: Provides overall forest through the trees

PROPOSAL RESPONSE: STEP 10-- RID FAULTS

- Response--general, vague, incomplete
- No benefits & impacts of approach
- Shallow treatment of high risks
- Lacks problem/solution ties
- Has unsupported information

METRIC: Corrections done from beginning to end

PROPOSAL RESPONSE: STEP 10-- RID FAULTS

- Does not adhere to Proposal Preparations Instructions
- Deficiencies in Management or Cost Portions
- Lack of contingency discussions
- Unclear Cover Letter commu

METRIC: Ensure small errors do not snowball

PROPOSAL RESPONSE: STEP 11-- EVAL PREP

- Internal Team evaluates Proposal using Evaluation Criteria
- Team can be other than proposed
- Use similar Client Evaluation Process
- Incorporate findings into revised Proposal

METRIC: Proposal perspectives validated and improved

PROPOSAL RESPONSE: STEP 12-- ORALS PREP

- Plan & develop info in advance
- Incorporate potential Client responses
- Connect well to written proposal
- Do “dry run”
- Ensure each point made is supported
- Finish on Time and with Impact

METRIC: Demonstrate actual project team and their effort

PROPOSAL RESPONSE: STEP 13-- NEGOTIATING

- Used to clarify or bargain after Orals
- Plan strategy & tactics in advance
- Incorporate potential Client responses
- Do “dry run”
- Ensure each point made is supported
- Leads

METRIC: Building working relationship with buyer

PROVERBS FOR THE PROPOSAL PROCESS

- The more ridiculous the deadline, the more it costs to try to meet it
- What you don’t know hurts you
- What is not recorded has not been said
- Parkinson & Murphy are alive herei

METRIC: Plan, create and convince well

Summary: Proactive Leadership

- PBSC Requires Support. Seek feedback and build Best Practices
- Create database of successful examples
- Overcome reactive and parochial tendencies

METRIC: Pursue Lessons Learned for long term viability

FOR FURTHER INFORMATION

- To clarify, give feedback or obtain viable PBSC actions and/or contacts, connect with:

- Steven Stryker, President
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